

March 2, 1973

SPEAKER: Any further discussion of the Resolution? Senator Cavanaugh, do you care to make any motion?

SENATOR CAVANAUGH: I would move the Resolution be adopted.

SPEAKER: Further discussion. The question is...Senator Carpenter.

SENATOR CARPENTER: I am not concerned about the Resolution except for the precedence. I'd like to have the Senator explain it.

SENATOR CAVANAUGH: Well, Senator Carpenter, this...the whole situation has, apparently, been bouncing around for a number of years. I have letters from the Attorney General to the Department of Visually Impaired from 1970 in which they recommended that something be done with this thing. That it either be accepted...there is question whether there is actual legal title even in the Department of Visually Impaired. Of course, these people...the people who now want to clear the title on the thing have just recently come into the possession of the property and they now want to construct a building and they, of course, they have difficulty getting their financing with this lien. Now, as to the value of the second mortgage, it somewhere originally was in the neighborhood of \$5,000, I believe. It's been in default since 1966. Nothing was ever paid on the thing and they are willing to settle...both parties are willing to settle. There has been negotiations between them for some time and they are willing to settle for this \$3,000.

SENATOR CARPENTER: I am only asking for information. I am not trying...I don't...I want to know what kind of a precedent we're setting here. Couldn't you settle this in a court of law or something. Isn't there a method of means to settle these disputes?

SENATOR CAVANAUGH: Well, basically with gifts it's the responsibility of the Legislature to approve all gifts to the state of Nebraska. That's what we have here is a gift which was never accepted by the Legislature. That's the precedent as far as the mortgage itself is concerned. Now, you want to know about precedent for liquidation of the mortgage?

SENATOR CARPENTER: I don't quite understand it, but I'm only concerned about setting a precedent in this for something that would be a great deal more important than this is. This is the validation of a gift in your judgment.

SENATOR CAVANAUGH: Yes, that's all it is.

SENATOR CARPENTER: OK. Thank you.

SENATOR CAVANAUGH: It's a little bit more complicated because it's in the form of a mortgage.

SPEAKER: The chair recognizes Senator Kelly.

SENATOR KELLY: Mr. Chairman, members of the body, I believe Senator Cavanaugh has done a lot of work on this Resolution, and I believe that what he is offering is a good thing for the state of Nebraska, but I believe his unanimous consent motion is not good for the state of Nebraska and I would like to have this body consider that fully in voting on this Resolution. Is that do you know...has it been cleared with the Committee...has it followed the procedures that we all talk so much about? I support the Resolution but I do not support the manner in which it is going through the body.

SPEAKER: Any further discussion of the motion? Senator Kelly, just to make sure we are clear. The chair is not cognizant